

REMARKS

Claims 1-21 were pending at the time of the last office action. Applicant has amended claims 1 and 14 and canceled claims 4 and 5. Thus, claims 1-3 and 6-21 are now pending.

The Examiner has rejected claims 1-21 under 35 U.S.C. § 101 as being directed to non-statutory subject matter. Applicant has amended the claims to address the Examiner's concern. Each claim now recites that "a computer system with a processor" and that at least one step is performed by the processor.

Applicant would like to thank the Examiner for his consideration during the telephone interview of February 3, 2009. During that interview, applicant's representative described applicant's technology and proposed amendments to claim 1. Applicant has further amended claims 1 and 14 to recite "by the processor" in various elements. This response also includes references to support in the specification for amendments to the claims as requested by the Examiner.

The Examiner has rejected claims 1-21 under 35 U.S.C. § 112, second paragraph, as being indefinite. Applicant has amended the claims 1 and 14 to address the Examiner's concerns. In particular, claim 1 now recites a "method in a computer system of a service consumer" and claim 14 now recites a "method in a computer system of a service provider." Thus, it is clear whose computer system performs the steps recited by each method.

As to claims 2, 3, 14, and 15, applicant respectfully disagrees. The specification explains that one purpose of the billing unit is to reduce exposure of non-payment by a service consumer. (Specification, ¶ 0029.) For example, if the billing unit is 1000, then the service provider will request payment after 1000 services are performed for the service consumer. If the service consumer goes bankrupt after the service provider performs 900 services, the service provider may not get paid for the 900 services. In

contrast if the billing unit specifies 100 services, then the exposure to non-payment is less than 100. The service provider would typically want to balance the transaction cost associated with requesting payment for a billing unit with the non-payment exposure. Clearly, if the billing unit specifies 1 service, the non-payment exposure is minimized but the transaction cost may be prohibitively high. For example, if the cost for each service is very small (e.g., \$.10) as may be the case when stock quotes are provided, then the transaction costs may be multiples of the service cost. In such a case, the service provider would want a relatively large billing unit (e.g., 2000).

The Examiner has rejected claims 1, 4-6, 12, 13, and 17 under 35 U.S.C. § 103(a) as being unpatentable over Briscoe and Frankel or Hauser and claims 2, 3, 7-11, 15, 16, and 18-21 under 35 U.S.C. § 103(a) as being unpatentable over Briscoe and Frankel or Briscoe and Hauser in combination with Official Notice. Although applicant disagrees, applicant has amended the claims to clarify the claimed subject matter.

Applicant has amended the claims to clarify that the service consumer generates the start code for the sequence of codes. (Specification, Figure 4 and ¶ 0037.) For example, claim 1 recites "generating by the processor [of the computer system of the service consumer] the start code wherein the start code is not known to the service provider or the service intermediary at the time of generation by the service consumer." In Briscoe, the bank issues the secret random number to the user. (Briscoe 1:63-64.) Thus, Briscoe's user does not generate the secret code. Applicant's technique has the advantage that since the start code does not need to be transmitted to any other computer system, the risk of interception inherent with such a transmission is avoided.

The Examiner points to Briscoe at 1:63-2:24 as describing both "specifying a number of services within a billing unit." Applicant has amended the claims to clarify that it is the service provider that specifies the number of billing units. (Specification, ¶ 0029.) For example, claim 1 recites "receiving from the service provider a specification of a number of services within a billing unit." Briscoe, in contrast, does not explicitly

state who (e.g., bank, user, vendor, or other party) determines the number of hash values that are produced. Nevertheless, there is nothing in Briscoe to suggest that any party other than the user determines that value. Thus, Briscoe neither teaches nor suggests that any vendor or service provides that number to a user or service consumer.

As to the Official Notice relating to credit, the Examiner is correct that extending credit and associated risks are well-known. However, Briscoe is unrelated to “extending credit.” Rather, in Briscoe, the user pays for the coin stick in advance so there is not risk that the user will not be able to pay. According to Briscoe, “this capability can be used to top up a coin stick following further payment to the bank by the user.” (Briscoe, 2:50-52, emphasis added.) So, it is not clear to applicant how this Official Notice relates to a system that does not extend credit to users or service consumers.

As to the Official Notice relating to resolving disputes, there is nothing in any of the references the Examiner relies on relating to resolving disputes. Rather, it appears that in Briscoe the vendor simply provides the coin to the bank for payment. In such a case, no dispute arises between the user or service consumer and the vendor or service provider. If the coin is correct, the bank pays. Otherwise, it does not pay. Because of the overhead of verifying that an end code can be generated from a code provided by a service provider can be high, applicant’s technology avoids having to perform this verification unless a dispute arises and then performs the verification as part of resolving the dispute.

The Examiner has provisionally rejected claims 1-21 based on obviousness-type double patenting over claims 1-40 of U.S. Patent Application No. 10/789,808. Applicant will address this rejection if and when the Examiner rejects the claims on a non-provisional basis. Applicant notes, however, that the Examiner has provided no explanation as to why the claims are obvious in view of the claims of the 10/789,808

patent application. As such, the Examiner has not established even a prima facie case of obviousness-type double patenting.

Based upon the above amendments and remarks, applicant respectfully requests reconsideration of this application and its early allowance. If the Examiner has any questions or believes a telephone conference would expedite prosecution of this application, the Examiner is encouraged to call the undersigned at (206) 359-8548.

Please charge any deficiencies or credit any overpayment to our Deposit Account No. 50-0665, under Order No. 418268003US from which the undersigned is authorized to draw.

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Respectfully submitted,

By Maurice J. Pirio
Maurice J. Pirio
Registration No.: 33,273
PERKINS COIE LLP
P.O. Box 1247
Seattle, Washington 98111-1247
(206) 359-8548
(206) 359-9000 (Fax)
Attorney for Applicant